2:Purcell G-4 (no date) 1951 AL1 Southeast Asia AL1
Chinese

hostility to the Military Administration and, after it, to the civil Governments of the Malayan Union and Singapore which succeeded it. 668

Before the war, the Kuomintang had found its chief support in the mercantile class of Chinese. During the Japanese occupation of the Nanyang this class, being urban and static, was an easy prey for Japanese exactions and for this reason its members, after the liberation, were denounced by the Communists as 'collaborators'. They, themselves, had either remained underground and unnoticed because of their lack of property or, in Malaya, in the case of about 3,000–4,000 only out of a total population of over two million, had become guerrillas in the jungle. The post-liberation result of the situation in this country was that many of the old leaders of the Chinese community were, at least temporarily, discredited and the Communists claimed credit for all resistance to the Japanese. After a while, however, the Kuomintang and the San Min Chu I Youth began to reassert themselves, but they had lost much of their pre-war vigour. The course of the civil war in China and the deterioration of the National Government's position had much to do with the change.

In Indonesia and Indochina, where the purely proletarian element among the Chinese was much smaller, the developments after the Japanese had surrendered placed the Chinese in an unenviable position. In Indonesia the 'middleman' nature of so much of the Chinese activity had made them unpopular with the natives, and during the periods after 1945 when the Dutch were in conflict with the Indonesian Republic neither side was able to afford them adequate protection from the aggression of local communities. Uncontrolled elements in the population (often soldiers) massacred the Chinese in considerable numbers. They were, in particular, accused of espionage for the Dutch. It seems, however, that it was the Dutch who afforded them the best protection and with whom, generally speaking, Chinese sympathies therefore lay. In Indochina, where there was also a considerable animus against the Chinese trader and money-lender (i.e. goods-lender), the community suffered greatly in the disorders and in the civil war which was still continuing in 1949. The French, to afford them protection, and to suit their own strategic dispositions, concentrated them in a few centres, notably in Saigon-Cholon where there was much overcrowding. At the same time many other Chinese 609 186 1068

2: Purcell G-4 (no date) 1951 AL1 Southeast Asia AL1
Chinese

668 moved to Vietminh-controlled areas, and the Vietminh could
609 claim a considerable number of supporters among the younger Chinese.

● 186 The advances of militant nationalism in some others of the Southeast Asian countries had made the widespread fear of Chinese economic encroachment a ready source of political capital. In both Siam and the Philippines measures to diminish the Chinese share of the retail trade which had been initiated before the war were now intensified and an anti-Chinese plank was inevitable in the platform of every political party. Chinese Communists were said meanwhile to be actively assisting the Hukbalahaps, the agrarian insurgents in Luzon.

668 This was the dilemma in which the Chinese still found them-
669 selves in the fourth year after the Japanese defeat. But in one country, Malaya, their difficulties as a community became most acute when the Malayan Communist Party, consisting itself mostly of Chinese, decided in June 1948 to start an active terrorist campaign against the British. The constitutional experiment of the Malayan Union followed by that of the Federation of Malaya had left the Chinese generally in a state of political apathy (since the new constitution greatly favoured the Malays at their expense). When the terrorists, who were largely the old guerrillas of the Malayan People's Anti-Japanese Army, struck, it was the Chinese themselves who provided most of the casualties on both sides. Many *Towkays* (Chinese business men) were intimidated into contributing to the Communists' funds or supplying them with goods and, being largely isolated, were not in a position to resist these demands. This in turn brought them into conflict with the British authorities. The Chinese squatter community, too, being on the fringe of the jungle was readily utilized by the terrorists and suffered accordingly when British troops and police took reprisals against their villages, burning down their houses and destroying
000 their crops. Many squatters were banished to China. The great danger the British ran was that harsh measures might antagonize large sections of the population, for the government of a great majority by a small minority must ultimately depend upon the consent of the governed. Large-scale measures of varying success were in progress against the terrorists in 1949 when the defeat of the Chinese Nationalist armies by those of the Communists in China and the collapse of the Kuomintang Government gave new

2:Purcell G-4 (no date) 1951 AL1 Southeast Asia AL1
Chinese
China AF1
Burma AP1

A visit to Southeast Asia during the third quarter of 1950 after an absence of nearly three years brought home to the writer the accelerated tempo of the change that the countries were undergoing, and, in particular, the dominant role which the politics of China were playing therein. As a tailpiece to this survey he has recorded the impressions of his visit, bringing the account as nearly up to date as the exigencies of publishing would allow. The observations are set down in the order in which the countries were visited.

In his many discussions with statesmen, diplomats, officials, business men, and others in these Southeast Asian countries, the writer became aware of a considerable disagreement among them regarding the number of Chinese in the area. There was, in the case of Siam and Indochina in particular, no figure that was generally accepted. The definition of 'Chinese' was an initial difficulty (as it has so often been in the course of this survey) for many Chinese appeared to possess a dual racial character, discarding one aspect and assuming the other as circumstances suggested.[1] It seemed also that that clandestine immigration into Siam, Indochina, and the Philippines and (perhaps) Indonesia within the last two or three years, had been very considerable, for during this period the immigration laws had been greatly tightened. The writer was compelled, therefore, to revise the estimates he had made in the demographic chapters of the survey to suit the probable facts of 1950 and to adopt a total not very far short of 10 million ethnic Chinese for the whole of Southeast Asia. This estimate, however, does not materially alter the ratio of Chinese to other races in the area and has no very important bearing on the general political and economic considerations which have been described in the text.

Burma. In July 1950 the Chinese Nationalist ambassador had left Burma, and one other official of the embassy had also gone away, but the remainder of both the embassy and consular staff had agreed to serve under the People's Government of China which was now recognized by the Burmese Government. Two of the staff had already been summoned to Peking for indoctrination. The new ambassador, Dr Yu, was expected to arrive in Rangoon in August. In the meantime the staffs were not being paid and the only income available was that derived from the sale of (Nationalist) passports.

At this time an incident in the Burmese Shan State of Keng-tung near Siam was the subject of a number of rumours. A force of Chinese

[1] Thus in Siam, the President of the Thai Chamber of Commerce, of very obvious Chinese race or extraction but with a Thai name, denounced vehemently the tactics of business men of acknowledged Chinese nationality in their dealings with the Thais.

5: Dobby K-4 (no date) 1950 ALl Southeast Asia ALl

than their elongated forms, difficult interiors and cliffed, marsh or forest edges in fact justify. Rarely has any one of the major islands been the locale of a single people singly governed, homogeneous and integrated into an island-state. These large islands have been dispersive and fragmentive to the peoples in them.

Postwar Nationalism

The postwar effusion of nationalism in Southeast Asia is thus a paradox. It is a nationalism of plural societies and substantial minorities, without homogeneity inside the states, and without a nation, as understood in Europe, and very much a culmination of the insecurity and uncertainty produced by the divergent influences which have long been at work, breaking down old social integrations and their warm, human associations, substituting for them nothing but commerce and the new myth "economic man," cold, inexorable and not adequately or fully integrated with Southeast Asia people and their setting.

The devolution of Southeast Asia from colonial into nationalist units takes place at no propitious time. The cultivation of rice has been predatory, the accumulated effects of which are now showing in diminishing yields; new paddylands before the war were ceasing to be so easily available and the war threw a large proportion of the old lands out of cultivation. Rubber has found a competitor in synthetic rubber, and its production may repeat the history of sugar. Tin recovers from the war slowly because equipment has been lost. Plantation crops have lost labour, markets and opportunities. Yet Southeast Asia is still increasing its people faster than the world average. Its increase, however, has gone on at a slower rate in the already congested areas and at a faster rate in what had been the emptier areas of South Sumatra (with Javanese migrants), in Mindanao (with Filipinos), in Johore (by Chinese immigrants), as well as in Laos, Dutch Borneo and Inner Siam, by local increases. Thus Southeast Asia has been filling up, though there is little prospect yet of an even distribution.

Devolution

The Southeast Asia population is expanding now as the trade systems which provided its first impetus to expansion shrink and lose coherence. The atmosphere is one of relinquishing colonies, but under circumstances when they are involved in an international

10: Thompson S-4 (no date)1947 ALl Southeast Asia ALl

467 try, depending on the stage of development reached before the war, the quality of leadership during and after the Japanese occupation, and the degree of authority and stability achieved by the present governments.

While politics are the overwhelming preoccupation everywhere, Indochina and Indonesia have been the scenes of almost continuous warfare since V-J Day and have been unable—judging from the limited information available—to produce strong, cohesive labor movements. Siam, although not badly damaged by Allied bombing, has been absorbed in achieving administrative stability amid internal political rivalries and in maintaining its sovereign status internationally. The basic reasons which prevented the prewar labor movement in Siam from evolving beyond the embryonic stage remain valid. The greatest progress has been made in Burma and Malaya, where labor movements were comparatively well delineated before the war and where subsequent conditions have combined to further their growth.

467 Nowhere in the area has a labor movement developed without political implications and inspiration. Nationalism, in the embrace of so-
668 cialism or communism, has been its guiding and dominating force.
186 Political leaders have worked upon laborers as the only have-not group in an area where the majority of the inhabitants are cultivators who possess, or aspire to possess, their own land. It is not accidental that peasant unions have been organized only in Burma, the sole country of the region where absentee and non-agriculturist landlordism has flourished and where there is marked ethnic homogeneity. Labor shortages exist everywhere as a result of the wartime cessation of immigration and the depletion and displacement of existing labor forces, and are aggravated by the desire of business firms to resume their export trade as quickly as possible.

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These factors have placed labor in a particularly favorable position. While laborers remain on the whole almost as inarticulate and as closely identified with the mass of the population as before the war, they have acquired a new political consciousness and a sense of their own indispensability, as well as a more aggressive leadership. Everywhere their economic grievances derive from the growing disparity between increasing wages and more rapidly rising living costs and from the absence of consumer goods and adequate housing in urban areas. Their political objectives are those assigned to them by nationalist or communist leaders, who are using labor as the best spearhead available locally for the achievement of their own goals.

467 At the present time Malaya and Burma have the only labor move-
464 ments in the area worthy of the name. Their prewar economies differed widely—Malaya's resembling that of Sumatra more than Burma—but their metropolitan power is parallel and both are committed to a pro-labor policy. They are the two countries of Southeast Asia which have

18 Firth E-4 (no date) 1950 ALl Southeast Asia ALl
Chinese

427 But the alien planta-
565 tions and even alien smallholders have threatened to grasp at it, and the
177 advances of Western medicine, so beneficial in many ways, have only accelerated the rate of increase of the population which has to seek a livelihood from it. In most parts of South East Asia the peasant is the actual owner of the land he tills, often legally under some agreement with
426 the State. But his rights to the produce are often severely limited by a heavy burden of indebtedness. The real effects of this may be less than people sometimes think, because when the debts are spread among neighbours and kinsfolk interest may be waived, repayment is sometimes protracted or ignored, and the debt may be serviced by other than material means. But there is no doubt that the peasant producer is badly hampered by his debt load. It is most pressing when debt is contracted to a member of an alien ethnic group, an Indian or a Chinese, for whom the transaction is a purely commercial one.

563 The role of alien Asiatic ethnic groups is one of the most significant
565 features in the economic and political life of the peasantry of South East
177 Asia today. For many centuries, Indian and Chinese trading influences
178 have met in the South East Asian region, and Indian religious concepts
439 have penetrated deep into many of its social systems. But for more than four hundred years the dominant commercial and political note has tended to be sounded by Europeans. Now the balance is altering. Colonialism may have set the modern structure of South East Asian society, but the patterns will persist when the colonial Powers have withdrawn. To this new society the Chinese above all have the economic key. In Indo-China, Siam, Malaya, the Philippines, and Java, the Chinese have penetrated the economic system and taken over crucial functions. They have shared in much of the wholesale import trade, they have attained pre-eminence in retailing vital imported goods to the peasant, and they act as middlemen for the collection, storage, and processing of peasant export products. As part of this process they often finance the peasant producer by advances on his crop, gaining a double profit by giving part of these advances in goods, not cash. The Chinese achievement has been remarkable. They have been kept on the margin both of the peasant society with which they deal, and of the European society with which at a later stage their growing wealth would allow them to associate. Though lacking any formal political power, which in the Orient as elsewhere is so often the passport to success, they have built up a trading structure of extraordinary toughness, elasticity, and elaboration.

565 The wider political implications of this are not my concern here. But
609 it is important to note three points in connexion with the peasant theme.
● 186 One is the xenophobic reaction of the local urban dwellers and of peasants
578 too, which has periodically found expression against the Chinese, as traders or residents in South East Asia, in the form of riots and other disturbances.
563 Another is the reaction of the Chinese, whose economic strength has given
241 them confidence, and who are now prepared to stand by their claim to a

18: Firth E-4 (no date) 1950 ALl Southeast Asia ALl
Malaya

real stake in the countries of the Nan Yang, as settled members of the local society, and not as aliens. The third point is that the Chinese community has never been one of middlemen only; there has always been a fair proportion of cultivators within it. The poor peasantry of South East Asia now includes a Chinese as well as an indigenous element. The 1947 census of Malaya shows 45,000 Chinese engaged in rice growing, and another 100,000 in market gardening and fishing, essentially peasant pursuits.

The pressure to which the South East Asian peasant has been subjected by the combination of Western and other alien influences has been severe. But we must beware lest we misinterpret it. In a recent book which gives a comparative analysis of the agrarian situation in the countries of South East Asia, appears a striking statement about Malaya—that development of mining and rubber industries has pushed the native Malay population more and more towards the east, into the areas of the former Unfederated Malay States: 'The Malays', it is said, 'considered the east as safe from Western penetration, and therefore preferred this undeveloped area to the irrigated lands on the western coast, mainly because there they could get only temporary land licences, since a complete survey of all potential tin-bearing regions had not yet been made'.[1]

It is true that the eastern States are predominantly Malay in population, and that the greater part of the vast immigrant population of Malaya is densely settled on the western side of the peninsula, where the resources are richer and access easier than on the eastern side. It is also true that there has been some lack of enthusiasm among Malay peasants to colonize the new Government-developed irrigation areas, for complex reasons, including lack of capital in the past, and disinclination to move from their ancestral homes. But it is quite incorrect to put these facts together and to argue that the Malay has been pushed by alien pressure over from the west to the east of the peninsula. Apart from some seasonal movement for rice harvesting or fishing, the internal migration of Malays is inconsiderable, despite the rapid development of communications in recent years. Both the 1931 and the 1947 census show that whatever movement takes place—well under 10 per cent—is almost wholly from one State to another, either on the west coast or on the east coast, or to Singapore. Hardly any movement at all occurs from the west to the east. Moreover, the 1947 census shows that between 1931 and 1947 the Malay population of the western States increased by about one-third, at a rate slightly higher than that of the eastern States. The proportion of Malays in these western States, in terms of the total population of all ethnic groups, also increased slightly during this period, due primarily to the decline of Indians and Indonesians. In other words, though foreign economic penetration has immersed the western Malay in a flood of alien elements, it has not driven him away. On the contrary, he has preferred to stay and await events.

[1] Erich H. Jacoby, *Agrarian Unrest in Southeast Asia* (New York, Colombia University Press, 1949) p. 113.

18; Firth E-4 (no date) 1950 ALl Southeast Asia ALl

nearing the end of its historical phase. How far it is likely to be replaced by a more insidious form of satellitism is not relevant here. But to talk about political emancipation of South East Asia being the prime requirement for the solution of the problems of the peasantry must not obscure the economic factors involved. Nor is fresh capital all that is needed. For the economy of the peasant to attain a relative stability a great development of technical and administrative skills in the commercial field is necessary. The building of a native professional class would seem to be an important element in the construction of a more integrated economic and political system. To concentrate attention on the political factors alone is to overlook the fact that most of the sinews of the economic organism are now provided by the one group which does not have overt political power—the Chinese.

What remains of the traditional class structure in South East Asian society is not of much avail as a defence of the peasant from alien exploitation. In any case, though the rulers and traditional nobility still command much respect, and provide symbols for the unity of the people, there are stirrings of resentment among the people against the perpetuation of a system in which these aristocrats do not perform recognizable services at commensurate incomes. But such resentment does not mean that the peasantry are dry tinder for the spark of Communism to set alight. Communism as yet does not seem to have any great attraction for the mass of the local peasantry of the South East Asian region. The lack of popular response to the Malayan insurrection has shown this. It is presumably true to say that the interest of the peasant can always be secured in any movement which promises to give him greater control of the land—more land more secure tenure, freedom from land debt, and better returns for his produce. But to most of the Indonesian peasants these aims are likely to be sought in nationalism, which can be largely given both an ethnic base and the religious sanctions of Islam. The person to whom the cry for a solution of the land problem is likely to make a most definite appeal, especially in Malaya, is not the Indonesian but the Chinese peasant, who sees himself as excluded from full participation in the land rights of the country folk. Over and over again one hears the cry, ill-founded as it is, that the Chinese have not been allowed to grow rice in Malaya.

Here may well come one of the acute pressure points in the South East Asian scene. The analysis might go as follows. Nationalism is a powerful political force because of its appeal to the individual in a projected, enlarged form of his desires and strivings. But by itself it is an aggressive rather than a constructive force. It lacks a coherent theory for the use of the resources at its control. An ideology containing such theory, and an equally ardent emotional charge on the part of many of its adherents, is provided by Communism. If Communism can work through nationalism it has a most powerful combination. Yet Communism in South East Asia lacks organization of any scale. The optimum conditions for its success are